

000,000 drachmas (\$150,000,000 or about \$60 per head). Greece imports more than she exports and the accumulated deficits in the annual budgets since 1877, due to the premium on gold and the inefficient methods of collecting the revenues, have been 674,000,000 drachmas.

Major Law's recommendations were not adopted and no definite plan was at once perfected for the restoration of order to Greek finance. The King, in his speech from the throne on November 8, 1893, afforded striking evidence of the depreciation of the bank-notes and the evils which had come in its train. It was announced that all the subsidiary coins, even to those of bronze, had disappeared and the government recommended the coinage at Paris of nickel pieces of five, ten, and twenty centimes to supply the people with small change. A law was approved December 1, 1893,* providing for the payment of 50 per cent, of the interest then overdue on the public debt in bank-bills, for future payments in the proportion of 30 per cent, in gold, and for covering directly into the Treasury certain funds which had been pledged as the guarantee of particular loans. This legislation was avowedly provisional, and the government was authorized by the law to enter into negotiations with the foreign bondholders with a view to a definite readjustment. Several conferences were held at Athens and Paris, in 1894 and 1895, but they proved abortive.

It was not until after the unfortunate war with Turkey in 1897, over the control of Crete, that a definite adjustment was reached by Greece with the holders of her obligations. The great powers then intervened to save the country from political and financial ruin, and the Greek government, yielding to the inevitable, declared that it accepted the mediation proposed, surrendering to the powers the protection of its interests and adhering without reserve to their counsel.⁸ Out of this situation grew the International Financial Commission, representing England, France, Russia, Germany,

* The Greeks still adhere to the Julian calendar. The actual date by the Gregorian calendar, in use in Western Europe, was December 15th. ² The "ry, *La Grèce Actuelle*, 21.